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10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**

13 JAMES R. GLIDEWELL DENTAL
14 CERAMICS, INC. DBA
15 GLIDEWELL LABORATORIES, a
California corporation,

16 Plaintiff

17 vs.

18 KEATING DENTAL ARTS, INC., a
19 California corporation,

20 Defendant.
21
22
23

Case No. SA CV11-1309 DOC(ANx)

JOINT 26(f) REPORT

[Fed. R. Civ. P. 26(f), L.R. 26-1]

Sched. Conf.: December 12, 2011
Time/Place: 8:30 A.M.
Judge: Hon. David O. Carter
CrtRm: 9D

24 Pursuant to the Court's Scheduling Conference Order, the parties hereto
25 represented by their respective counsel of record met and conferred
26 telephonically. At the conference, counsel discussed the Order, the relevant
27 Federal and Local Rules, and the preparation of this Joint Report. Counsel
28

specifically discussed the nature and the basis of the claims and defenses, the possibility for promptly settling or resolving the case, preservation of discoverable information, the specific items listed within the Court's order, and the items set forth in Federal Rule of Civil Procedure 26(f) and Local Rule 26-1. As a result of the conference, the parties report to the Court as follows:

A. ITEMS LISTED IN THE ORDER

This first section of the Joint Report sets forth the items that the parties must list pursuant to the Court's Order.

1. **A short factual summary of the case and of claims and defenses.**

Plaintiff's Summary: Plaintiff has brought this action against Defendant alleging infringement of its Federally registered trademark BRUXZIR[®] for dental bridges; dental caps; dental crowns; dental inlays; dental onlays and dental prostheses in international Class 10. It is also alleged that Defendant, by use of a trademark KDZ BRUXER on identical goods, has violated § 43(a) of the federal Lanham Act by false designation of origin and violated California's Business and Professions Code by acts of unfair competition.

Defendant's Summary: Plaintiff's claims can and should be resolved on summary judgment, as soon as the Court can consider such a motion. Two of the main reasons are summarized here:

(1) **Plaintiff has no right to exclude competitors from using the generic terms "BRUX" or "BRUXER" for dental appliances such as crowns**

1 For many years, the parties have each provided a variety of products to
2 dentists, for the dentists' patients. Some of those products have been for patients
3 who excessively grind their teeth. Within dentistry and the dental industry, this
4 grinding is called BRUXISM, and the root of that generic term BRUX is at the
5 heart of the current dispute.

6 Dental patients who BRUX (grind their teeth excessively) are sometimes
7 called BRUXERS. Dentists learn these terms (BRUXISM, BRUX, BRUXER) in
8 the first week or two of dental school. Not surprisingly, in addition to this
9 generic use by dentists (and others in the industry) of the terms BRUX and
10 BRUXER, there are many third-party trademarks for dental products that include
11 the root BRUX, for products and services focused on treating BRUXISM.
12 Examples include:

13 **BRUX-EZE** (U.S. Reg. 2,473,238; in use since **1985**)

14 **BRUXGUARD** (U.S. Reg. 2,251,807; in use since **1999**)

15 **DR. BRUX** (U.S. Reg. 3,775,126; in use since **2006**)

16 Plaintiff and Defendant only recently began using BRUX in connection
17 with their products, long after several of those third parties began using
18 "BRUX". Among other tooth conditions, BRUXISM commonly results in
19 damage to patients' molars, and corresponding treatment commonly includes
20 preparing and installing artificial crowns on the damaged teeth. Dentists
21 typically take molds of their patient's teeth and use that information to order
22 artificial crowns from Plaintiff, Defendant, or third parties (as discussed below,
23 dentists typically write a custom order/prescription form for each patient and
24 each crown, and fax it directly to the dental lab (such as Plaintiff or Defendant)
25 from which they choose to order).

26 Due to the substantial forces that patients impose on these crowns (such as
27 the forces that wore down or cracked their natural molars), the quality and
28 integrity of the crown is critical. The price of such crowns is likewise commonly

1 fairly expensive. Dentists' reputations are dependent on obtaining and installing
 2 crowns that not only will hold up to the patients' grinding and chewing, but also
 3 will not cause discomfort to the patient. Accordingly, dentists typically are very
 4 careful about the crown products they order and the companies with which they
 5 place those orders. It is not uncommon for a dentist to order ALL of his patients'
 6 crowns from one company (such as only from Defendant, or only from Plaintiff),
 7 and in such situations the "customers" KNOW from whom they are obtaining the
 8 product. They cannot be confused.

9 Traditionally such crowns were made from gold, but because of the recent
 10 increase in the price of gold, these crowns now also are made from a material
 11 called Zirconia. Plaintiff calls its product BruxZir (a combination of BRUX and
 12 ZIRCONIA). Because Defendant Keating Dental Arts already was using the
 13 acronym "KDA" in its business, it adopted a similar acronym for its line of
 14 zirconia crowns: "KDZ." Defendant KDA applied with the U.S. Patent and
 15 Trademark Office to register three versions of its KDZ trademark, each
 16 designating a different version of zirconia crown:



26 As presently advised, the first of these marks is the only one challenged by
 27 Plaintiff. In addition to suing Defendant in this Court, Plaintiff simultaneously
 28

1 filed an Opposition against Defendant's trademark application in the U.S. Patent
2 and Trademark Office. Defendant has obtained a stay of that Opposition
3 proceeding.

4 (2) **The is no likelihood of confusion among the professionals (dentists)**
5 **who are the "customers" that "buy" the trademarked products, so there can**
6 **be no trademark infringement.**

7 The dentists (the "customers" for these products) custom order these
8 products directly from the Plaintiff, Defendant, or others. The dentists typically
9 write a custom order/prescription form for each patient and each crown, and fax
10 it directly to the dental lab (such as Plaintiff or Defendant) from which they
11 choose to order. Defendant even provides to its dentists DEFENDANT's own
12 order form, with Defendant's name and logo and product listings on it. In
13 addition, the crowns are relatively expensive, and the dentists heavily rely upon
14 the quality of the products, so they take substantial care to place the order from a
15 dental lab that they trust. In other words, the dentists KNOW and trust the labs
16 from whom they are ordering these products, and it is virtually impossible for
17 them to be confused in that regard.

18 Finally, regarding Defendant's defense/counterclaim for misuse of
19 trademark, Defendant submits that Plaintiff is knowingly and intentionally
20 misusing its BRUXZIR trademark and abusing the legal process as well.
21 Plaintiff attached to its Complaint Plaintiff's attorney May 31, 2011 letter to
22 Defendant, but did NOT attach Plaintiff's separate communication dated August
23 9, 2011, in which Plaintiff attempted to use Plaintiff's **trademark** rights to force
24 Defendant to BUY PRODUCT from Plaintiff, writing:

25 "If you cancel your trademark application for KDZ Bruxer
26 and use BruxZir materials and the BruxZir trademark instead, we
27 will not pursue legal action."

28 As presently advised, Plaintiff owns NO patent rights to these products, so

the foregoing TRADEMARK demand constitutes misuse (a party's trademark rights entitle it to demand that others stop infringing those rights, but do NOT entitle the trademark owner to force others to buy the trademark owner's products). In any case, Defendant refused Plaintiff's unlawful demand, whereupon Plaintiff filed its Opposition against Defendant's trademark application, and simultaneously sued Defendant in this Court.

Plaintiff has also misused its BRUXZIR mark against a much smaller third party competitor who was using the trademark "R BRUX". In an April 18, 2011 email, Plaintiff threatened legal action over the following third party ad:

New from R-Dent Dental Lab!

RBrux
Full Contour, Solid Zirconia
RESTORATIONS

Not happy with metal occlusal PFM or full-cast metal restorations? Do you need crowns and bridges that are strong but still esthetically pleasing? R-Dent has the answer! R-Brux restorations are fully contoured, solid zirconia and are virtually chip and crack proof! Contoured from a solid block of zirconia using CAD/CAM technology means there are no copings or porcelain layers that could cause future problems.

Indications
Crowns or bridges for bruxers or grinders, cosmetic alternatives to PFM metal occlusal or full-cast, and cases where occlusal clearance is limited.

Prep requirements
Recommend chamfer margins and at least 1 mm occlusal clearance. (Feather margins are possible, but not recommended)

Adjusting & Polishing
Ultra-fine grit diamonds for adjustments with copious amounts of water to keep the restoration cool and prevent micro-fractures. A football shaped burr is most effective for occlusal and lingual adjustments, a tapered bur is best for buccal and lingual surfaces (Axis Dental Bruxzir Adjustment and Polishing Set is recommended). Once adjustments are complete, use the DVA Zircon-Brite Zirconium Polishing Paste* to regain your glazed condition. It is very important to not leave any unpolished surfaces on your R-brux restoration!

Cementation
Resin-forced glass ionomer (Relyx Luting, 3M Espe)
Resin cements for shorter preps (RelyX Unicem, 3M Espe; Multilink Automix, Ivoclar).

Introductory Pricing
\$120.00
Per Unit
Allow 6 Days In-lab

R-dent
Dental Laboratory, Inc.
Toll Free - 877-RDENT4U
www.rdentlab.com

*http://www.dentalventures.com/zircon_brite_description.htm

Plaintiff's email asserted that using just BRUX as part of the above mark infringed Plaintiff's BruxZir mark, writing: "The promotion of dental laboratory services by your lab of **Brux** crowns is using a similar mark where there is an

1 appreciable likelihood of confusion and a palming off goods by an unauthorized
 2 substitution of one brand for the brand ordered, which in this instance is a
 3 deliberate misappropriation of intellectual capital for commercial purposes that is
 4 actionable unfair competition under California law (California Business and
 5 Professions Code §17200)”.

6 2. **A short synopsis of the principal issues in the case.**

7 **Plaintiff’s Synopsis:** The principal issues are (a) whether
 8 Defendant’s activities are likely to confuse or mislead the public as to the origin
 9 or sponsorship of Defendant’s goods sold under the accused mark; (b) whether
 10 Defendant’s alleged activities constitute Lanham Act false designation of origin
 11 or constitute unfair competition under California law; and (c) to what extent has
 12 Plaintiff been or is likely to be harmed by the alleged activities?
 13
 14

15 **Defendant’s Synopsis re PLAINTIFF’s Claims:** At least the
 16 following TWO independent issues can be dispositive of Plaintiff’s claims, and
 17 Defendant expects to raise them in a summary judgment motion at the earliest
 18 opportunity.
 19

20 (1) Whether Plaintiff has the right to stop competitors from using the generic
 21 terms BRUX, BRUXER, etc., as a part of a larger trademark (e.g.,
 22 Defendant’s KDZ BRUXER PLUS DESIGN), especially when other
 23 competitors have used BRUX for many years prior to Plaintiff?

24 (2) Whether there can be ANY likelihood of confusion (the test for trademark
 25 infringement) given:

- 26 • the significant differences between the marks themselves (Plaintiff’s
 27 BruxZir mark and Defendant’s KDZ BRUXER PLUS DESIGN
 28 mark)

- 1 • the only thing common to both of those marks is the generic term
- 2 BRUX, which should continue to be available to ALL competitors
- 3 • the parties' customers for these expensive products are professional
- 4 dentists who typically repeatedly (and sometimes exclusively) order
- 5 these and other products from one of the parties and NOT the other
- 6 party
- 7 • those dentists know exactly from whom they are ordering these
- 8 products, because they write a "prescription" for the product (often
- 9 on a form provided by the lab itself, such as Plaintiff or Defendant),
- 10 and fax it directly to that lab (Defendant, Plaintiff, etc.).
- 11 • the products are relatively expensive, indicating that the dentists will
- 12 pay close attention to their purchasing decision
- 13 • the dentists' buying decisions are critical to the dentists'
- 14 professional success

15 **Defendant's Synopsis re DEFENDANT'S counterclaims:** The

16 foregoing TWO independent issues similarly are dispositive of Defendant's

17 soon-to-be-submitted counterclaim for non-infringement. As for Defendant's

18 counterclaim for misuse of trademark (and/or that same misuse as a defense), the

19 further principal issues include Plaintiff's (a) market power and (b) exclusionary

20 behavior (such as that described above).

21 3. **Whether parties are likely to be added and whether the**

22 **pleadings are likely to be amended.**

23

24 The parties do not presently anticipate adding any other parties to this

25 action. Based on the results of its investigation, including discovery to be

26 produced by Plaintiff, Defendant may amend its Answer to raise additional

27

28

1 affirmative defenses and/or add counterclaims for declaratory judgment of non-
2 infringement and/or for misuse of trademark.

3
4 4. **A statement as to issues which any party believes may be**
5 **determined by motion and a listing of then-contemplated law and motion**
6 **matters.**

7
8 Plaintiff anticipates seeking summary judgment on the issue of trademark
9 infringement. Defendant anticipates seeking summary judgment on at least the
10 issues of non-infringement discussed above.

11
12 5. **A statement of what settlement discussions have occurred and**
13 **what settlement procedure is recommended.**

14 The parties have previously discussed settlement, but were unable to reach
15 agreement. While both parties remain interested in settlement, it is presently
16 unclear as to whether settlement is likely.

17
18 The parties select Settlement Procedure No. 1, before a magistrate judge.
19
20 The parties also hereby reserve the right to request the Court's approval to
21 engage in an alternative settlement mechanism.

22
23 6. **A discovery plan, including any discovery phases, the order of**
24 **discovery, and any limitations on discovery.**

25 The parties do not presently anticipate that phasing or modifications to the
26 order of discovery will be necessary. At the present time, the parties do not
27 believe that any changes are necessary to the limitations on discovery imposed
28

1 by the Federal Rules of Civil Procedure or the Local Rules of this District. The
2 parties specifically reserve the right to move for a protective order to increase or
3 limit the amount, scope and/or timing of any discovery and agree to leave open
4 the possibility of revisiting this issue should changes to such limitations become
5 necessary as this action proceeds.
6

7
8 To the extent not addressed below, the items set forth in Federal Rule of
9 Procedure 26(f) and Local Rule 26-1 are addressed herein below.

10 **Initial Disclosures (Fed. R. Civ. P. 26(f)(3)(A))**

11
12 The parties shall exchange initial disclosures on December 5, 2011.

13 **Topics for Discovery (Fed. R. Civ. P. 26(f)(3)(B))**

14 Plaintiff anticipates conducting discovery primarily on the following
15 topics:
16

- 17 (1) Defendant's selection and use of its trademark KDZ BRUXER,
- 18 (2) The use, recognition and strength of Plaintiff's registered trademark
19 BRUXZIR[®],
- 20 (3) The respective goods on which the respective trademarks are used,
- 21 (4) The impact of Defendant's alleged actions on Plaintiff and Plaintiff's
22 trademark,
- 23 (5) The likelihood of confusion among the purchasing public,
- 24 (6) The goodwill associated with Plaintiff's mark,
- 25 (7) The motives and intent of Defendant in choosing its mark on these
26
27
28

1 particular goods,

2 (8) The extent that Defendant's alleged actions may have been willful,
3
4 malicious and designed to harm Plaintiff,

5 (9) The extent to which Plaintiff may have suffered damages as a result of
6
7 the alleged causes of action.

8 Defendant anticipates conducting discovery primarily on the topics and
9
10 issues described in Defendant's summaries above.

11 The parties specifically reserve the right to add additional issues as they
12
13 are discovered or developed in the course of discovery (written and oral) in this
14 action.

15 **Electronic Discovery (Fed. R. Civ. P. 26(f)(3)(C))**

16 The parties have agreed to work together on electronic discovery
17
18 productions. Each party has taken steps to preserve all evidence relevant to the
19
20 issues reasonably evidence in this action, including electronically stored
21
22 information and to halt any document destruction program and any ongoing
23 deletions of electronically stored information (i.e., electronic mail, voice mail,
24 word processing documents).

25 The parties presently anticipate that all electronic documents will be
26
27 produced in Adobe Acrobat or .tiff format, with the understanding that either
28
29 party can reasonably request that specific electronic documents be produced in
30
31 native format should the Acrobat or .tiff document be insufficient. The parties

1 agree to work in good faith to resolve any such issues with the understanding that
2 discovery is currently ongoing and that as documents are collected and produced
3 circumstances may arise that will require the parties to revisit and modify this
4 procedure.
5

6 If a party believes that the requested preservation or production of
7 electronically stored information is unduly burdensome, then both parties agree
8 to meet and confer regarding cost shifting, and, if necessary, brief the issue for
9 the Court. Currently, however, both sides have agreed to bear their own costs of
10 production.
11

12
13 **Privilege Issues (Fed. R. Civ. P. 26(f)(3)(D))**

14 The parties are presently discussing a Protective Order to protect the
15 confidentiality of certain documents that shall be produced in this action. The
16 parties have discussed a provision therein to specifically address privileged
17 information that is inadvertently produced, and that such inadvertent production
18 shall not be deemed a waiver of the attorney-client privilege, the work product
19 doctrine, or any other recognized privilege or protection with respect to the
20 information and documents, and that such documents shall be returned
21 immediately to the producing party in accordance with the Protective Order.
22

23
24 The parties agree that work-product protection applies to protect drafts of
25 any report or disclosure required under Rule 26(a), regardless of the form in
26 which the draft is recorded. The following three categories of information,
27
28

1 however, remain discoverable: (a) compensation paid to an expert; (b) the facts
 2 and data an expert considered in forming opinions, including facts and data
 3 provided by an attorney to an expert; and (c) assumptions relied upon by an
 4 expert in forming opinions, including assumptions provided to an expert by an
 5 attorney.
 6

7
 8 7. **A statement of whether trial will be by jury or to the Court and**
 9 **a realistic estimated length of trial.**

10 The parties have requested a trial by jury and anticipate that it will last
 11 approximately 4 trial days.
 12

13 8. **A statement of any other issues affecting the status or**
 14 **management of the case.**
 15

16 The parties propose the following schedule to resolve the principal issues:

17 **Case Deadlines.**

<u>Proceeding/Event</u>	<u>Proposed Date</u>
Opening expert reports	September 15, 2012
Rebuttal expert reports	October 15, 2012
Discovery cut-off date	October 29, 2012
Final motion cut-off date	December 17, 2012
Final Pretrial Conference	January 28, 2013
Trial	February 26, 2013

24
 25 The parties have agreed that documents to be served (not efiled) by or on a
 26 given day should, in addition to mail service or hand delivery, also be served via
 27 electronic mail (with the exception of exhibits or documents too large to send
 28

1 through electronic mail). The parties have also agreed that any documents
2 served via electronic mail shall be treated the same as documents served by U.S.
3 mail for purposes of calculating responses pursuant to Federal Rules of Civil
4 Procedure 5(b)(2)(E) and 6(d).
5

6 **B. LOCAL RULE ISSUES**
7

8 Pursuant to Local Rule 26-1(a), the parties discussed at the Rule 26 (f)
9 conference and agreed that this is not a complex case and that there is no need to
10 utilize the procedures set forth in the Manual For Complex Litigation.
11

12 The remaining items of Local Rule 26-1 are already discussed herein.

13 Dated: Monday, November 28, 2011

14 LEONARD TACHNER, A PROFESSIONAL LAW CORPORATION
15

16 By: ___/s/ Leonard Tachner
17 LEONARD TACHNER
18 Attorney for Plaintiff
19 James R. Glidewell Dental Ceramics,
Inc. dba Glidewell Laboratories

20 J. MARK HOLLAND & ASSOCIATES

21 By: ___/s/ J. Mark Holland
22 J. MARK HOLLAND
23 Attorneys for Defendant
24 Keating Dental Arts, Inc.
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26
27
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